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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/600,509	07/17/2000	FUMITAKE YODO	6715/60188	7100

7590 11/28/2003
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EXAMINER

FISCHER, ANDREW J

ART UNIT	PAPER NUMBER
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3627

DATE MAILED: 11/28/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/600,509

Applicant(s)

YODO, FUMITAKE

Examiner

Andrew J. Fischer

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 05 September 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,4,5 and 7 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,4,5 and 7 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☒ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ 6) ☐ Other: _____

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DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination ("RCE") under 37 C.F.R. § 1.114, including the fee set forth in 37 C.F.R. § 1.17(e), was filed on September 5, 2003 (Paper No. 17) in this application after final rejection. Since this application is eligible for continued examination under 37 C.F.R. § 1.114, and the fee set forth in 37 C.F.R. § 1.17(e) has been timely paid, the finality of the previous Office action (Paper No. 14) has been withdrawn pursuant to 37 C.F.R. § 1.114.

Acknowledgments

2. In accordance with the RCE noted above, the after final amendment (Paper No. 15) filed August 4, 2003 has been entered. Accordingly, claims 1, 4, 5, and 7 remain pending.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States. . . .

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the Applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the Applicant for patent.

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4. Claims 1, 4, and 5 are rejected under 35 U.S.C. 102(e) as being anticipated by Peterson, Jr. (U.S. 5,857,020) ("Peterson '020"). Peterson '020 discloses a terminal with a first memory (memory storing 91), a second memory (memory storing 79), a first controller (94); a second controller (the digital-to-analog converter within 40); the controller reduces the accounting point information (from 91) stored in the first memory and updates the attributes of the received information from an unavailable state to an available state (decrypts the secured data making it available to the user); if the user has insufficient funds, the data is held in the unavailable state (inherent); the second controller transmits the accounting point information (for an increase in funds) and the accounting point information is reset to an initial value (e.g. greater than or equal to \$5) based upon the status of the account processing (payment was received) (inherent in the "automatic Online process" at column 9, lines 44-53); and a communicator (40).

5. Functional recitations using the word "adapted to" or just "to" (e.g. "adapted to store" or "formed to" as recited in claim 1) have been given little patentable weight because they fail to add any structural limitations and are thereby regarded as intended use language. A recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim. *In re Casey*, 152 USPQ 235 (CCPA 1967); *In re Otto*, 136 USPQ 458, 459 (CCPA 1963). By way of examples only, the Examiner suggests, "a second controller transmitting" as positive recitations

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removing the language from its current functional interpretation. See the Response to Arguments, *infra*.

6. For due process purposes, the Examiner again notes that Applicant has decided not to be their own lexicographer by indicating and defining claim limitations to have meanings other than their ordinary and accustomed meanings. The Examiner cites three (3) factual findings to support his position. First, after receiving express notice of the Examiner's position that lexicography was *not* invoked,¹ Applicant has *not* pointed out the "supposed errors" in the Examiner's position regarding lexicography invocation in accordance with 37 C.F.R. §1.111(b).² Second and also as stated in the previous office actions, it is again the Examiner's factual determination that not only have Applicant not pointed to definitional statements in his specification or prosecution history, Applicant has also *not* pointed to a term or terms in a claim with which to draw in those statements.³ Finally and again as noted in the previous office actions, Applicant has declined the

¹ See the first Office Action on the merits mailed January 17, 2002, Paper No. 4, Paragraph No. 12; the second Office Action on the merits mailed May 21, 2002, Paper No. 6, Paragraph No. 10; the third Office Action on the merits mailed December 20, 2002, Paper No. 11, Paragraph No. 10; and the fourth Office Action on the merits mailed June 4, 2003, Paper No. 14, Paragraph No. 8

² *Id.*

³ "In order to overcome this heavy presumption in favor of the ordinary meaning of claim language, it is clear that a party wishing to use statements in the written description to confine or otherwise affect a patent's scope must, at the very least, point to a term or terms in the claim with which to draw in those statements." *Johnson Worldwide Assocs. v. Zebco Corp.*, 175 F.3d 985, 989, 50 USPQ2d 1607, 1610 (Fed. Cir. 1999).

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Examiner's express invitation⁴ to be their own lexicographer. Therefore (and unless expressly noted otherwise by the Examiner), the heavy presumption in favor of the ordinary and accustomed meaning for claim terminology is confirmed. Accordingly, the claims continue to be interpreted with their "broadest reasonable interpretation," *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997),⁵ and the Examiner continues to rely heavily and extensively on this interpretation.⁶ Unless expressly noted otherwise by the Examiner, the preceding claim interpretation principles in this paragraph apply to all examined claims currently pending.

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

⁴ See Note 6, *supra*.

⁵ See also MPEP §2111 and §2111.01; *In re Graves*, 69 F.3d 1147, 1152, 36 USPQ2d 1697, 1701 (Fed. Cir. 1995); *In re Etter*, 756 F.2d 852, 858, 225 USPQ 1, 5 (Fed. Cir. 1985) (en banc).

⁶ See 37 C.F.R. §1.104(c)(3) which states in part: "the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability [Emphasis added.]"

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8. Claims 1, 4, and 5 are alternatively rejected under 35 U.S.C. 103(a) as being unpatentable over Peterson '020 in view of Kupka et. al. (U.S. 6,434,535 B1)("Kupka").⁷ It is the Examiner principle position that claims 1, 4, 5, and 6 are anticipated because of the inherencies as noted above. Alternatively, if not inherent, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Peterson '020 as taught by Kupka and to include the missing inherencies. For example, because Peterson '020 directly discloses "automatic Online process," at column 9, ~ line 53, one of ordinary skill in the would understand the accounting center must perform at least one "accounting process based upon the accounting point information transmitted from the terminal device." It is clear to those skilled in the art that if the user had only 16¢ left in his or her account, this amount is transmitted to the accounting center via the "automatic Online process" and added to any amount additionally purchased. It is also evident that the server would store the customer's records in a central location and not just at the terminal device. "The law is clear that patent documents need not include subject matter that is known in the field of the invention and is in the prior art, for patents are written for persons experienced in the field of the invention. ... To hold otherwise would require every patent document to include a technical treatise for the unskilled reader." *S3 Inc. v. nVIDIA Corp.*, 259 F.3d 1364, 1371, 59 USPQ2d 1745, 1749-50 (Fed. Cir. 2001) citing *Vivid Technologies, Inc. v.*

⁷ See MPEP §2112 expressly authorizing alternative §102/§103 rejections when the question of inherency is present in the §102 rejection.

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American Science and Engineering, Inc., 200 F.3d 795, 804, 53 USPQ2d 1289, 1295 (Fed. Cir. 1999) (“patents are written by and for skilled artisans”).⁸

In other words, if not inherent, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Peterson ‘020 as taught by Kupka to directly include the replenishing process as shown in Kupka’s Figure 8. Such a modification would have directly disclosed at least one “automatic online process” in Peterson ‘020 in order to add value to the user’s card.

9. Claim 7 is rejected under 35 U.S.C. 103(a) as being unpatentable over Peterson ‘020 in view of Goldman (U.S. 5,629,867). Peterson ‘020 discloses as discussed above but does not directly disclose a third controller. Goldman teaches that although only one processor (10) is required, to provide optimum performance, a processor system using two processors (10 and 12) is preferred (column 4, lines 38-45).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Peterson ‘020 as taught by Goldman to include a third controller as a redundant processor. Such a modification would have provided redundancy such that if one processor failed, the other processor could immediately take over without interruption.

Moreover, the claimed functions performed by “a third controller” in claim 7 could easily be performed by controller (32) in Peterson ‘020. Applicant is reminded that mere duplication of

⁸ See also *In re Eltgroth*, 419 F.2d 918, 921, 164 USPQ 221, 223 (CCPA 1970) (“This court has often observed that minutiae of descriptions or procedures perfectly obvious to one of ordinary skill in the art yet unfamiliar to laymen need not be set forth.”).

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parts has no patentable significance unless a new and unexpected result is produced. *In re Harza*, 47 CCPA 771, 274 F.2d 669, 124 USPQ 378 (CCPA 1960).⁹ In this case, it is the Examiner's factual determination that duplicating processors (whether its two or three processors) would not produce new or unexpected results other than to increase processing speed.

Response to Arguments

10. Applicant's response filed with his amendment has been fully considered but does not place the claims in condition for allowance.

11. As noted above in Paragraph No. 5 and the previous Office Action, the phrase Applicant refers to is still functional language. Additionally, the Examiner acknowledges that there is nothing wrong with functional language in product claims as evidenced by the *lack* of a 35 U.S.C. 112 2nd paragraph rejection. However, for prior art purposes, the claim remains anticipated or obvious because the functional language does not produce a structurally different invention and because the prior art is at least capable of performing the claimed invention. As previously stated, Applicant is reminded that when interpreting functional language, if the prior art is capable of performing the claimed function—even if not directly disclosed—it anticipates. *In re Schreiber*, 128 F.3d 1473, 1478, 44 USPQ2d 1429, 1432 (Fed. Cir. 1997) (applicant's popcorn dispenser was anticipated with an oil can because the functional limitations were inherent in the reference).

⁹ See MPEP §2144 titled "Legal Precedent Can Provide the Rational Supporting Obviousness ..." for a discussion of how legal precedent can be used as a substitute for a motivational statement in obviousness rejections.

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Again, the Examiner agrees with the statement that Peterson '020 does not directly disclose the transmission of the accounting point information from the terminal device to the accounting center. However in this case, one of ordinary skill in the art would understand that the "automatic Online process" in Peterson '020 sufficiently addresses, covers, and/or reads on the functional language at issue. In other words, the Examiner finds that this functional language is inherent since Peterson '020 is capable of performing the claimed function. The Examiner also finds that because the claimed function is inherent, a prima facie case of anticipation has been established. Once this prima facie case of anticipation has been established, the burden shifts to the Applicant to show that the prior art structure does not inherently possess the functionally defined limitations of his claimed apparatus. *Schreiber*, 128 F.3d at 1478, 44 USPQ2d at 1432. Again, as of the date of this Office Action, Applicant has not successfully rebutted this presumption.

12. After reviewing the claims, the prior art, and all of Applicant's arguments on this matter, the Examiner finds that Applicant's arguments are not persuasive.

13. Applicant argues that the first embodiment in Peterson '020 fails to disclose various features and thus the pending claims are not anticipated. The Examiner agrees that because the first embodiment in Peterson '020 fails to directly or inherently disclose all the claimed features, the *first embodiment* can not anticipate the claimed invention. However the Examiner is *not* relying upon the first embodiment to establish a prima facie case. A careful review of the rejections above will reveal that the Examiner is relying exclusively upon the *second embodiment* in Peterson '020 (discussion of the second embodiment in Peterson '020 begins at column 9, ~

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lines 47) Therefore arguments directed towards the first embodiment in Peterson '020 have been considered but are moot.

14. Applicants limited discussion of the second embodiment in Peterson '020 is limited to contacting the accounting center to purchase a smart card.¹⁰ As noted above, Peterson '020 at the end of column 9, directly states:

The amount of prepaid funds 91 may be adjusted in return for receiving monetary compensation and the particular decryption key 93 updated periodically, for instance, by an authorization center (not shown) which the consumer may visit . . . through an automatic online process.

15. To be clear, this direct disclosure of "an automatic online process" is central to the Examiner's establishment of his prima facie case.

16. Regarding claim 7, Applicant again argues that "there are no features in Goldman that somehow could be combined with Peterson '020 and result in the presently claimed invention"

a. First, whether or not there are some features in Goldman that can be combined with Peterson '020 is immaterial. Second, even if material, Applicant's statement is factually incorrect. For example, one of ordinary skill in the art would clearly understand that the computer monitors in Goldman can be combined with the CPU's in Peterson '020 in to create a standard PC. Therefore, the statement that "there are no features in Goldman that somehow could be combine with Peterson '020" is facially incorrect.

¹⁰ See Applicant's Remarks, Paper No. 15, Pages 7, last sentence through page 8, lines 1 and 2.

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b. Second, since Peterson '020 is relied on by the Examiner only to show a third controller, the other features of Goldman are not at issue and also immaterial.

c. Third, the “somehow be combined” standard is not the standard the Examiner must meet for a conclusion of obviousness. Applicant is reminded that “[o]nly a reasonable expectation of success, not absolute predictability, is necessary for a conclusion of obviousness” *In re Longi*, 759 F.2d 887, 897, 225 USPQ 645, 652 (Fed. Cir. 1985).

d. The Examiner finds that in accordance with 37 C.F.R. §1.111(b), Applicant’s response doesn’t “point out the specific distinctions believed to render the claims . . . patentable over any applied references.” The Examiner also finds that with respect to claim 7, Applicant’s arguments do not point out a single feature that renders his claims either not anticipated or nonobvious when compared with the prior art.

e. After reviewing claim 7, the prior art, and all of Applicant’s arguments on this matter, the Examiner finds that Applicant’s arguments are not persuasive.

Additional Confirmations

17. In an effort to keep this Office Action complete as practically possible and because of the numerous office actions in this application, the following additional confirmations from the previous office actions are again briefly noted by the Examiner. The following list is not meant to be by any means exhaustive.¹¹ Moreover, because Applicant has not pointed out the “supposed

¹¹ Evidence to support the Examiner’s position that this list is not meant to be exhaustive includes the preceding statements in this Office Action including but not limited to the prior art rejections

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errors” in accordance with 37 C.F.R. §1.111(b)—during the remaining ex parte examination process—the following additional findings and/or conclusions are considered admissions upon which the Examiner relies.¹² Because of these admissions and subsequent reliance, the Examiner will not provide any additional evidence or arguments on these matters:

a. Applicant has not separately pointed out the patentable features in claims 4 and 5 in accordance with 37 C.F.R. §1.111. Therefore, as currently claimed, the patentability of claims 4 and 5 stands or falls together with the patentability of claim 1.

b. 35 U.S.C. 112 6th paragraph is not invoked in any pending claim. See the previous office actions beginning with the previous Office Action on the merits mailed December 20, 2002, Paper No. 11, Paragraph No. 8.

c. “Preponderance of the evidence is the standard that must be met by the PTO in making rejections.” *In re Epstein*, 32 F.3d 1559, 1564, 31 USPQ2d 1817, 1820 (Fed. Cir. 1994)(citations and quotations omitted). See the Office Action mailed December 20, 2002 (Paper No. 11, Paragraph No. 16).

d. “A system is an apparatus.” *Ex parte Fressola* 27 USPQ2d 1608, 1611 (B.P.A.I. 1993)(citations omitted). Additionally, “[c]laims in apparatus form conventionally fall into the 35 U.S.C. §101 statutory category of a ‘machine.’” *Ex parte Donner*, 53 USPQ2d 1699, 1701

and the Examiner’s statement(s) on claim interpretation issues. Additional evidence includes the prior office actions; Applicant’s amendments, remarks, and responses; and the fact that the Examiner titled these confirmations as “*Additional*.”

¹² See 37 C.F.R. §1.104(c)(3) which states in part: “the examiner may rely upon admissions by applicant . . . as to *any matter* affecting patentability [Emphasis added.]”

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(B.P.A.I. 1999)(unpublished), (Paper No. 34, page 5, issued as U.S. Patent 5,999,907).

Therefore, it is the Examiner's position that Applicant's system claims are "product" "apparatus," or more specifically, "machine" claims.¹³ See also the Office Action mailed December 20, 2002 (Paper No. 11), footnote 5.

Conclusion

18. The prior art made of record considered pertinent to Applicant's disclosure includes the following: Mihatsch (U.S. 6,523,011 B1).

19. The following two (2) citations to the Manual of Patent Examining Procedure ("MPEP") apply to this Office Action: MPEP citations to Chapters 200, 700, 1800, and 2100 are from the MPEP 8th Edition, Rev 1, February 2003. All remaining MPEP citations are from MPEP 8th Edition, August 2001.

20. In accordance with the USPTO's goals of customer service, compact prosecution, and reduction of cycle time, the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. Furthermore, the Examiner has provided Applicant with notice—for due process purposes—of his position regarding his factual determinations and legal conclusions. If Applicant disagrees with *any* factual determination or

¹³ Products may be either machines, manufactures, or compositions of matter. MPEP §2106 IV B. 2 (a).

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legal conclusion made by the Examiner in this Office Action whether expressly stated or implied,¹⁴ the Examiner respectfully reminds Applicant to properly traverse the Examiner's position(s) in accordance with 37 C.F.R. §1.111(b) *in his next response*. By addressing these issues now, matters where the Examiner and Applicant agree can be eliminated allowing the Examiner and Applicant to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicant has any questions regarding the Examiner's positions or has other questions regarding this communication or even previous communications, Applicant is strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (703) 305-0292. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's immediate supervisor, Robert Olszewski, can be reached at (703) 308-5183. To respond to this Office Action by facsimile, fax to (703) 872-9306.



Andrew J. Fischer
Patent Examiner

AJF
November 17, 2003

¹⁴ E.g., if the Examiner rejected a claim under §103 with two references, although not directly stated, it is the Examiner's implied position that the references are analogous art.